

## WHAT IS CLAIMED IS:

1           1.    A method for pricing a session of a usage based service  
2    comprising the steps of:

3               dividing a potential usage period into a plurality of tiers;  
4               assigning a usage rate to each of said tiers;  
5               assigning an incremental charge to each of said tiers;  
6               determining a tier usage amount for each of said tiers for the

7    session;

8               calculating a usage cost for each of said tiers by multiplying said  
9    tier usage amount by said usage rate for each respective of said tiers;

10              calculating a total usage cost by summing each of said tier usage  
11   costs;

12              calculating a total incremental cost by summing said incremental  
13   charges for each tier entered during the session; and,

14              pricing the session by summing said total usage cost and said  
15   total incremental cost.

1           2.    A method as defined by claim 1 wherein each of said plurality of  
2   tiers is characterized by a beginning threshold usage value.

1           3.    A method as defined by claim 1 wherein a first of said plurality  
2   of tiers has a threshold usage value of zero units.

1           4.    A method as defined by claim 1 wherein a last of said plurality of tiers  
2   extends to infinite usage.

1           5.    A method as defined by claim 1 wherein said plurality of tiers is  
2   consecutive with one another.

1           6.    A method as defined by claim 1 wherein said plurality of tiers  
2   each being equal in usage duration.

1 7. A method as defined by claim 1 wherein said units comprise units  
2 chosen from the group consisting of time, information, and digital data.

1 8. A method as defined by claim 1 wherein at least one of said tier  
2 usage rates is negative.

1 9. A method as defined by claim 1 wherein at least one of said tier  
2 incremental charges is negative.

1 10. A method as defined by claim 1 wherein said plurality of tiers are  
2 characterized by a beginning threshold usage value and a tier duration usage  
3 value; wherein said plurality of tiers are consecutive with one another, and  
4 wherein said step of determining a tier usage amount for each of said tiers  
5 comprises the steps of:

6 determining a total session usage amount for the session;  
7 determining which of said tiers have been entered during the  
8 session;

9 determining which of said tiers have been exceeded during the  
10 session;

11 determining a tier usage amount for each of said tiers entered  
12 during the session by setting said tier usage value equal to said tier duration  
13 value for each of said exceeded tiers, and subtracting said tier beginning  
14 threshold value from said total session usage amount for a tier that has been  
15 entered but not exceeded.

1 11. A method as defined by claim 10 wherein said step of  
2 determining whether a tier has been entered comprises:

3 determining that a respective of the plurality of tiers has been  
4 entered if said total session usage is greater than or equal to said beginning  
5 threshold usage value for said respective tier.

1           12. A method as defined by claim 10 wherein said step of  
2 determining whether a tier has been exceeded comprises:

3                 determining that a respective tier has been exceeded if a  
4 subsequent tier has been entered during the session.

1           13. A method for pricing a session of a usage based service  
2 comprising the steps of:

3                 dividing a potential usage period into a plurality of tiers, each of  
4 said tiers characterized by a beginning threshold usage value and a tier  
5 duration, each of said tiers having an endpoint at a usage amount equal to a  
6 sum of said threshold beginning usage value and said tier duration, said tiers  
7 being consecutive whereby said endpoint of a preceding tier is coincident with  
8 said beginning threshold usage value for a succeeding second tier, a first of said  
9 plurality of tiers having a beginning threshold value of zero units;

10                assigning a usage rate to each of said tiers, at least one of said  
11 usage rates being negative;

12                assigning an incremental charge to each of said tiers;

13                determining a total usage amount for the session;

14                determining that a respective tiers of the plurality of tiers has  
15 been entered if said total session usage is at least equal to said beginning  
16 threshold time for said respective tier;

17                determining that a respective tier has been exceeded if a  
18 subsequent tier has been entered during the session;

19                determining a tier usage amount for each of said tiers entered  
20 during the session by setting said tier usage value equal to said tier duration  
21 value for each of said exceeded tiers, and subtracting said tier beginning  
22 threshold value from said total session usage for a tier that has been entered but  
23 not exceeded;

24                calculating a usage cost for each of said tiers by multiplying said  
25 tier usage amount by said usage rate for each respective of said tiers;

calculating a total usage cost by summing each of said tier usage costs;  
calculating a total incremental cost by summing said incremental charges for each tier entered during the session; and,  
pricing the session by summing said total usage cost and said total incremental cost.

14. A computer program product for causing a computer to calculate a price for a session of a usage based service, the program product comprising a set of computer executable instructions embedded in a computer readable medium, the executable steps when executed causing the computer to:

- divide a potential usage period into a plurality of tiers, each tier starting with a threshold usage value;
- assign a per unit usage rate to each of said tiers;
- assign an incremental charge to each of said tiers;
- determine a usage value for each of said tiers for the session;
- calculate a usage cost for each of said tiers by multiplying said usage value by said per unit usage rate for each respective of said tiers;
- calculate a total usage cost by summing each of said usage costs for each of said tiers;
- calculate a total incremental charge by summing each of said incremental charges for each tier entered during the session; and,
- calculate the price for the session by summing said total usage cost and said total incremental charge.

15. A computer program product as defined by claim 14 wherein a first tier of said plurality of tiers has a threshold usage value of zero units, and a last of said plurality of tiers extends to infinite usage.

16. A computer program product as defined by claim 14 wherein said units are chosen from the group consisting of time and digital data.

1 17. A computer program product as defined by claim 14 wherein at  
2 least one of said usage rates is negative.

1 18. A computer program product as defined by claim 14 wherein at  
2 least one of said incremental costs is negative.

1 19. A computer program product for causing a computer to calculate  
2 a price for a session of an on-line service, the program product comprising a set  
3 of computer executable instructions embedded in a computer readable medium,  
4 the executable steps when executed causing the computer to:

5 divide a potential usage period into a plurality of tiers, each of  
6 said tiers characterized by a beginning threshold usage value, a duration usage,  
7 and a duration endpoint, said tiers being consecutive whereby a first tier having  
8 an endpoint coincident with the beginning of a second tier, a first of said  
9 plurality of tiers having a beginning threshold value of zero;

10 assign a usage rate to each of said tiers, at least one of said usage  
11 rates being negative;

12 assign an incremental charge to each of said tiers;

13 determine a total usage value for the session;

14 determine a tier usage value for each of said tiers entered during  
15 the session comprising the amount of usage value occurring between said  
16 beginning threshold value and said final duration value for said tier;

17 calculate a usage cost for each of said tiers by multiplying said  
18 tier usage value by said usage rate for each respective of said tiers;

19 calculate a total usage cost by summing each of said tier usage  
20 costs;

21 determine a respective of said tiers to have been entered during  
22 the session if said usage value is greater than said beginning threshold value for  
23 said respective tier;

24 calculate a total incremental cost by summing said incremental  
25 charges for each tier entered during the session; and,  
26 calculate a price for the session by summing said total usage cost and  
27 said total incremental cost.

1 20. A computer program product for causing a computer to calculate  
2 a price for a session of an on-line service, the program product comprising a set  
3 of computer executable instructions embedded in a computer readable medium,  
4 the executable steps when executed causing the computer to:

5 determine the total on-line usage amount during the session;  
6 create a plurality of consecutive tiers within a potential on-line  
7 usage amount, each of said tiers characterized by a beginning threshold usage  
8 amount and a tier duration usage;

9 compare the total on-line usage amount to said plurality of tier  
10 threshold times;

11 determine that a respective tier of the plurality of tiers has been  
12 entered during the session if said total on-line usage amount is greater than or  
13 equal to said beginning threshold usage amount for said respective tier;

14 determine that a respective tier has been exceeded during the  
15 session if a subsequent tier has been entered;

16 determine a tier usage amount for each of said plurality of tiers  
17 by setting said tier usage value equal to said tier duration usage for each of said  
18 exceeded tiers, and subtracting said tier beginning threshold usage amount  
19 from said total usage amount for a tier that has been entered but not exceeded;

20 determine a tier usage cost by multiplying said tier usage rate by  
21 said tier usage amount for each of said tiers;

22 calculate a total usage cost by summing each of said tier usage  
23 costs;

24 calculate a total incremental cost by summing said incremental  
25 charges for each of said entered tiers; and,

- 26 calculate a price for the session by summing said total usage cost and
- 27 said total incremental cost.